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ARIZONA CORPORATION COMMISSION

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Chairman Jeff Hatch-Miller
Commissioner William A. Mundell
Commissioner Mike Gleason
Commissioner Gary Pierce

Re: Public Comment Meetings on Union Pacific Railroad Expansion Plans

Dear Colleagues:

I write to concur with Commissioner Mundell's January 17, 2006 letter suggesting a public comment session in Willcox to discuss concerns raised by town officials regarding Union Pacific Railroad's expansion plans as well as concerns about the Railroad's existing line through the town. I believe that the public comment session should be expanded to include Tucson, Picacho, Maricopa and Yuma to gather information, as the Railroad's proposed new line would traverse these areas as well.

As you know, Union Pacific is in the process of making large-scale capital improvements to their Arizona railways. Union Pacific is constructing approximately 330 miles of double tracking from the Arizona-New Mexico border to Yuma. The double tracking is scheduled to be completed in 2008 at a cost of more than \$300 million, and would represent the first border to border rail project in Arizona in more than 50 years. Union Pacific officials have argued that the expansion is necessary to accommodate increased commerce across their Southwestern system, and to handle the increase in goods being transported into and out of Arizona due to our state's unparalleled growth.

However, not everyone is in agreement with Union Pacific's plans.

News reports indicate that Yuma residents have expressed concerns about building new rail lines through valuable agricultural areas. Specifically, the proposed route along County 14th Street and Avenue 3-1/2E may split farmland, inhibiting produce harvesting around the mesa. Additionally, news reports state that some fear the new route could negatively impact the Marine Corps Air Station Yuma's mission, and other residents have raised concerns about increased air pollution, student bus safety, and potential eminent domain action by Union Pacific.

The project has also sparked opposition from residents near Picacho, who have voiced concern that a switching yard associated with the proposed rail line may negatively impact the nearby Pichaco Peak State Park.

While the Commission does not have authority to decide where new railroad lines are to be located, we do have jurisdiction over safety issues, including whether the new line would require underpasses or overpasses in certain areas where existing populations lay in its path or where future growth is expected to dramatically increase traffic near the proposed line. If the expansion project moves forward, the railroad is likely to pass through towns and cities that may see the need for overpasses and underpasses associated with the new rail line, a matter this Commission can and should address at the earliest possible stage.

I believe public comment sessions in Tucson, Picacho, Maricopa and Yuma, in addition to Willcox, would present a comprehensive opportunity for the Commissioners to learn more about the project from the communities that would be most impacted by this far-reaching proposed expansion. I look forward to discussing this at the next Commission Staff meeting.

Sincerely,



Kris Mayes
Commissioner

Cc: Brian Lehman
Brian McNeil
Heather Murphy
Jim Sims
Terry Sims
Willcox City Council members
Yuma City Council members
Yuma County Supervisors
Maricopa City Council members
Pinal County Supervisors
Tucson City Council
Pima County Supervisors